

# THE SUPERMARKET REIT

# Forward Looking Statements

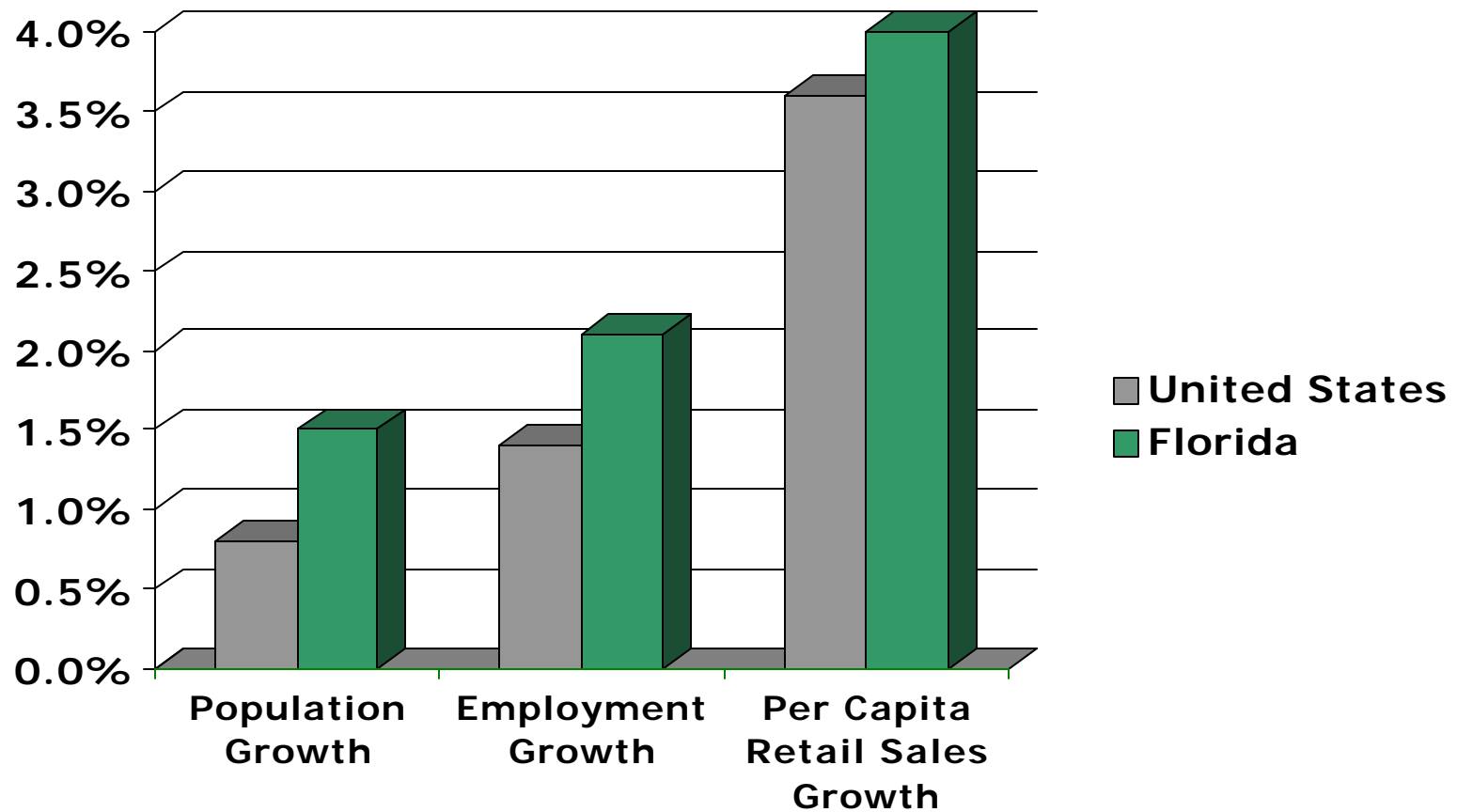
Certain matters discussed in this presentation constitute forward-looking statements within the meaning of the federal securities laws. Although Equity One believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that these expectations will be achieved. Factors that could cause actual results to differ materially from current expectations include the failure to close the proposed Centrefund Realty (U.S.) Corporation ("CEFUS") and United Investors Realty Trust ("UIRT") transactions; changes in macro-economic conditions and the demand for retail space in Florida and Texas; the continuing financial success of Equity One's, CEFUS' and UIRT's current and prospective tenants; Equity One's ability to successfully integrate the operations of CEFUS and UIRT into the Equity One organization; Equity One's ability to realize economies of scale; continuing supply constraints in Equity One's, CEFUS' and UIRT's current markets; and other risks, which are described in Equity One's and UIRT's Form 10-K and most recent Form 10-Q, which are on file with the Securities and Exchange Commission and which will be set forth in the securities filings regarding the proposed transactions.

# Corporate Overview

- ✦ Self-managed Florida-based supermarket-anchored shopping center REIT
- ✦ 33 properties; 3.3 million square feet
- ✦ \$263MM total market capitalization (2001 Q1)
- ✦ Two pending strategic transactions
  - ✦ Centrefund (\$280 million)
  - ✦ UIRT (\$155 million)

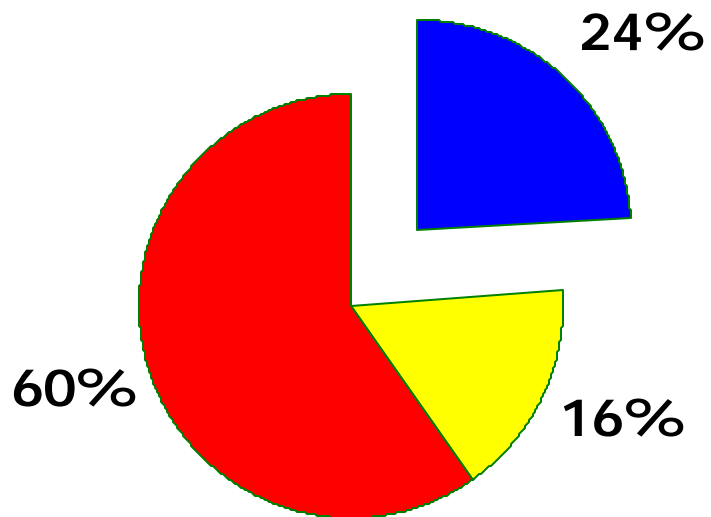
# Superior Demographics

## Florida vs. U.S. (1998–2003)

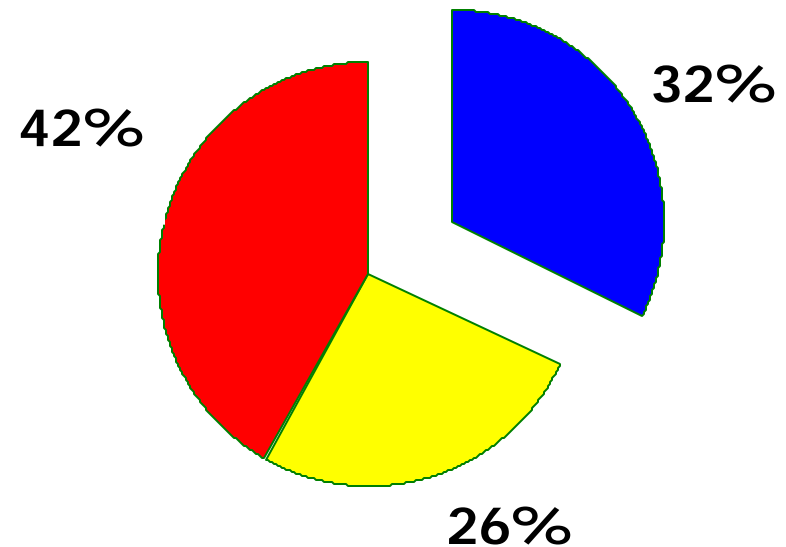


# Emphasis on Anchor Tenants

Annual Minimum Rent



Leased GLA



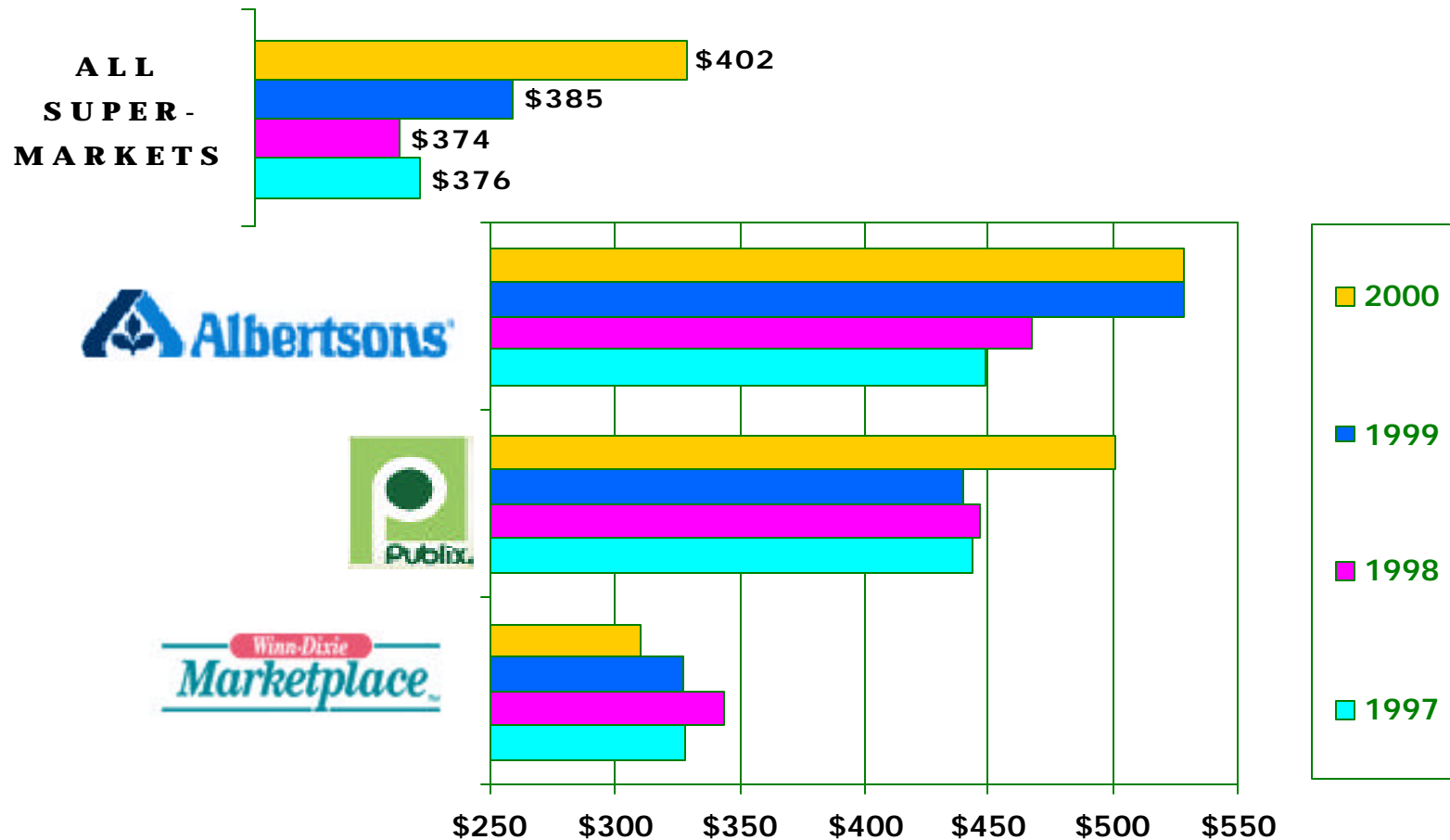
■ Supermarkets ■ Other Anchors  
■ Local Tenants

# Supermarkets are the Most Desirable Anchor Type

- ✚ Sale of necessity items and services generates steady “recession-proof” and “internet-proof” traffic
- ✚ Safe and growing cash flow from creditworthy anchors
- ✚ Long-term supermarket lease structure (20-year initial term)
  - ✚ Only one renewal before 2004
- ✚ Low local tenant turnover

**90% of Equity One's owned GLA  
is in supermarket centers**

# Supermarket Sales per Square Foot Increased 4.4% in 2000



# The Shoppes of North Port

## *Recent Acquisition*

- ✚ Acquired December 5, 2000 for \$7.25 million; assumed \$4.4 million of 6.65% financing
- ✚ Down-REIT transaction
- ✚ \$700,000 NOI
  - ✚ 9.7% cap rate
  - ✚ 14.4% leveraged return
- ✚ 84,705 square feet
  - ✚ 48,890 square foot Publix supermarket
  - ✚ 97.4% leased
- ✚ Located in North Port, Florida approximately 34 miles south of Sarasota; built in 1991





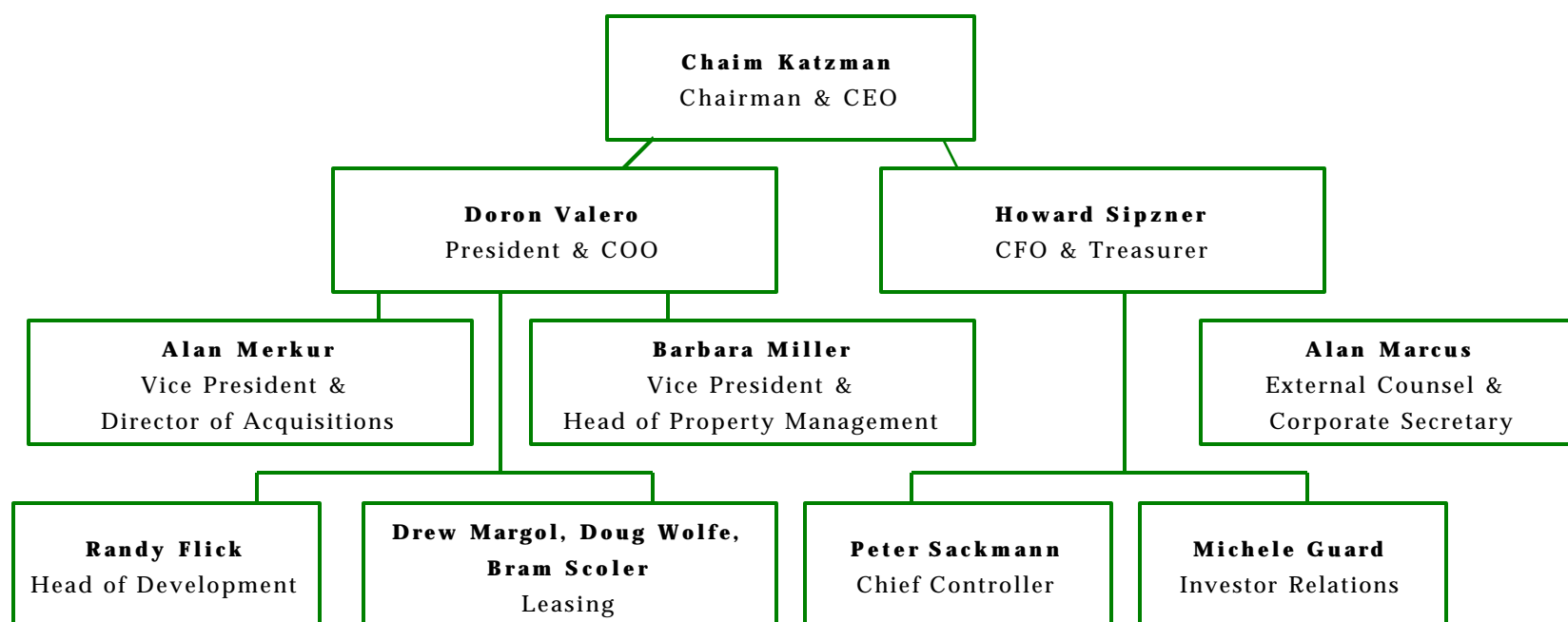
# Active Development Program

- + 184,152 sq. ft. completed at two new and three existing supermarket centers
- + 45,000 sq. ft. under development at one existing supermarket center
- + 430,000 sq. ft. to be built adjacent to ten existing centers
- + 130,000 sq. ft. to be built in two new centers in 2002-2003

**Up to 604,000 new developments by year-end 2003**

**19% increase in existing GLA**

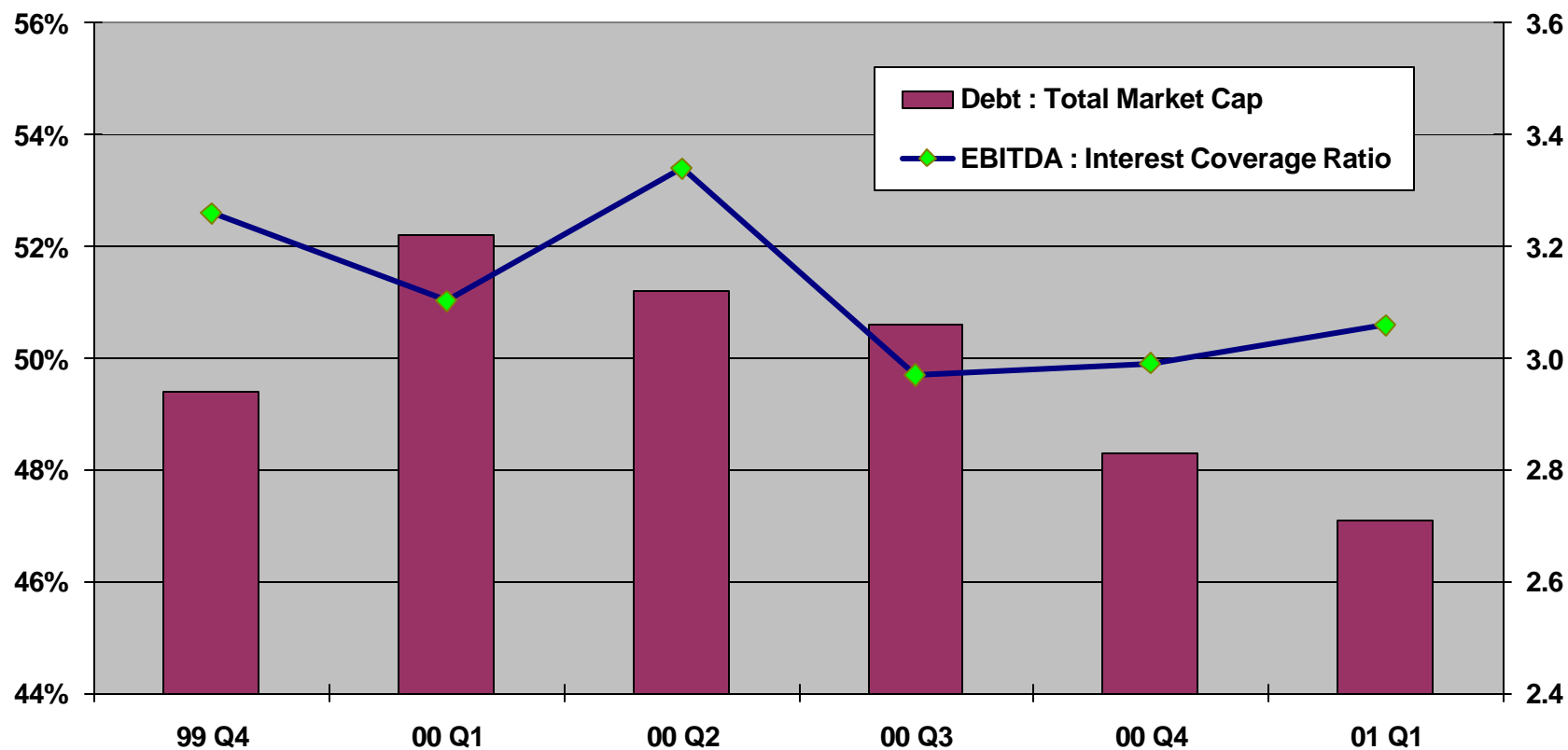
# Experienced Management Team



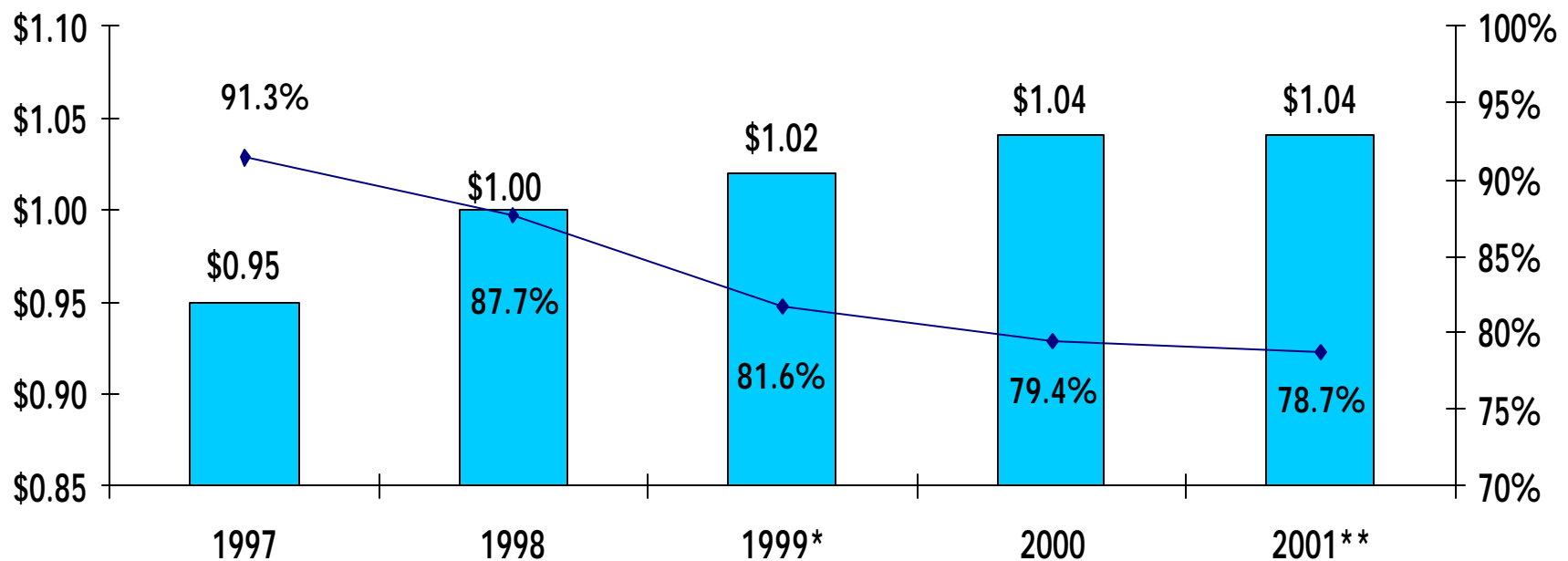
**OVER 22+ YEARS AVERAGE REAL ESTATE EXPERIENCE**

# Conservative Credit Profile

47% Leverage / 3.1 Interest Coverage Ratio



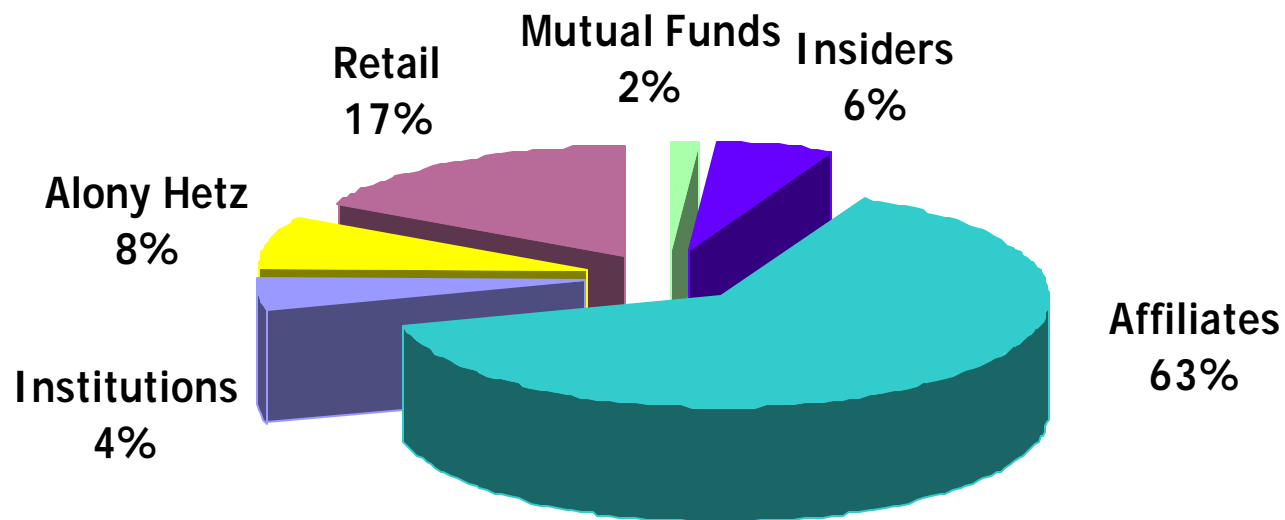
# Increased the Dividend and Reduced FFO Payout Ratio



\* 1999 quarterly dividend was increased to \$0.26 in the third quarter.

\*\* The 78.7% payout ratio represents the \$0.26 first quarter 2001 dividend divided by the \$0.33 first quarter 2001 FFO/share. The first quarter 2001 dividend has been annualized for presentation purposes.

# Current Ownership Profile



**High Insider/Affiliated Ownership Promotes Alignment of Shareholder and Management Interests**

# Centrefund Transaction (CEFUS)

- ✚ **28 properties**

- ✚ 16 Texas, 12 Florida

- ✚ 3.1 million square feet (1.9 MM TX, 1.2 MM FL)

- ✚ **9 joint venture interests**

- ✚ **\$280 million transaction**

- ✚ 10.5 million shares EQY @ \$11.49

- ✚ \$157 million debt assumption/replacement

- ✚ **Double Equity One size (properties, SF, assets)**

- ✚ **Establish Texas presence**

- ✚ **#3 Florida shopping center REIT**

- ✚ **\$0.03 accretive to FFO/share in 2002**

# United Investors Realty Trust Transaction (UIRT)

- ✚ **24 properties, 1 JV Interest**

- ✚ 16 TX, 5 FL, 3 AZ, 1 TN

- ✚ 3.0 million square feet (2.2 million square feet owned)

- ✚ **\$7.30 per UIRT share**

- ✚ **\$155 million transaction**

- ✚ 50% stock = 2.8 million shares EQY @ \$11.90

- ✚ \$11.30 to \$12.50 collar

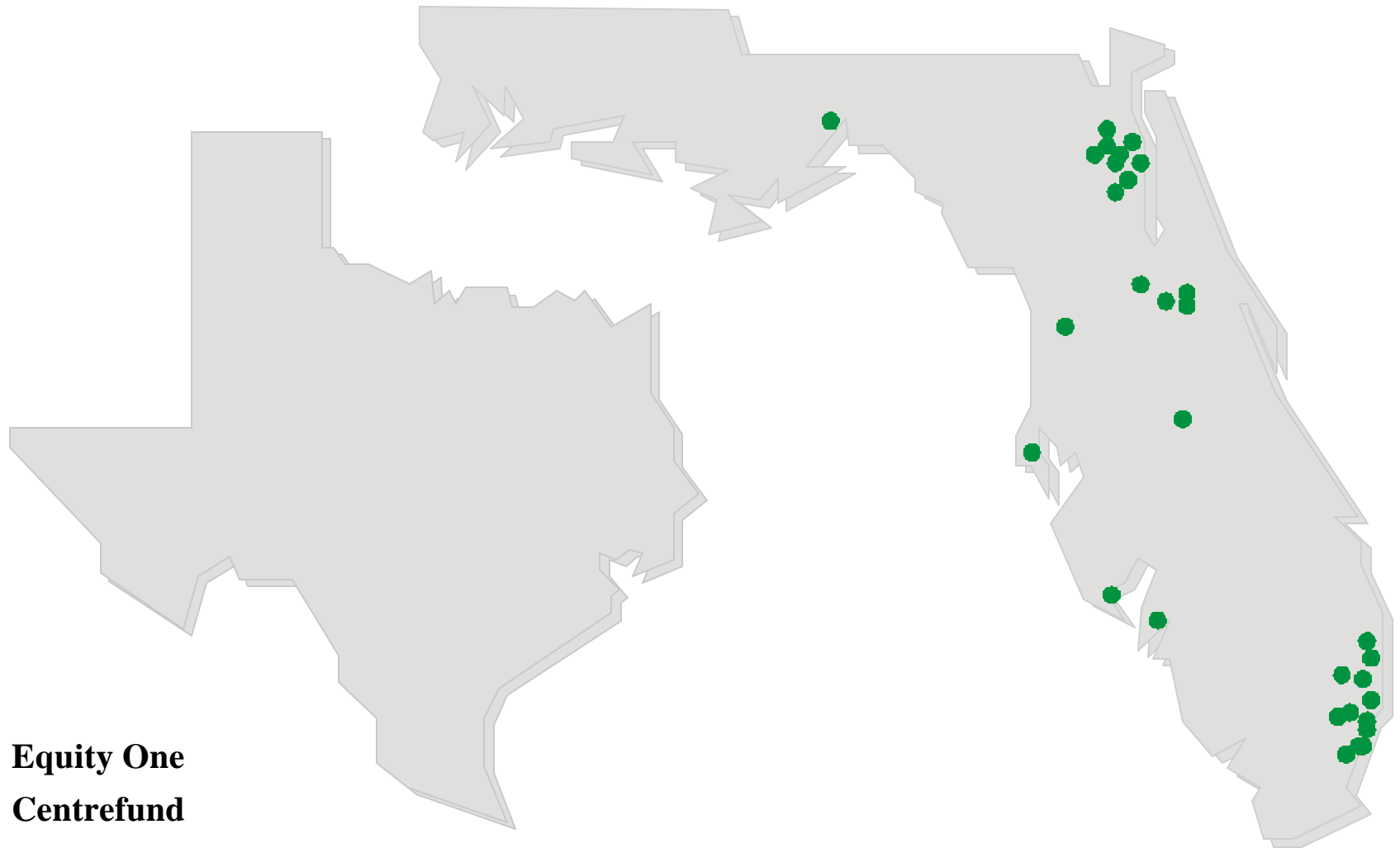
- ✚ 50% cash = \$33 million new debt

- ✚ \$82 million debt assumption/replacement

- ✚ **Enhances Florida-Texas platform**

- ✚ **\$0.05 accretive to FFO/share in 2002**

# EQY Properties



**Equity One**



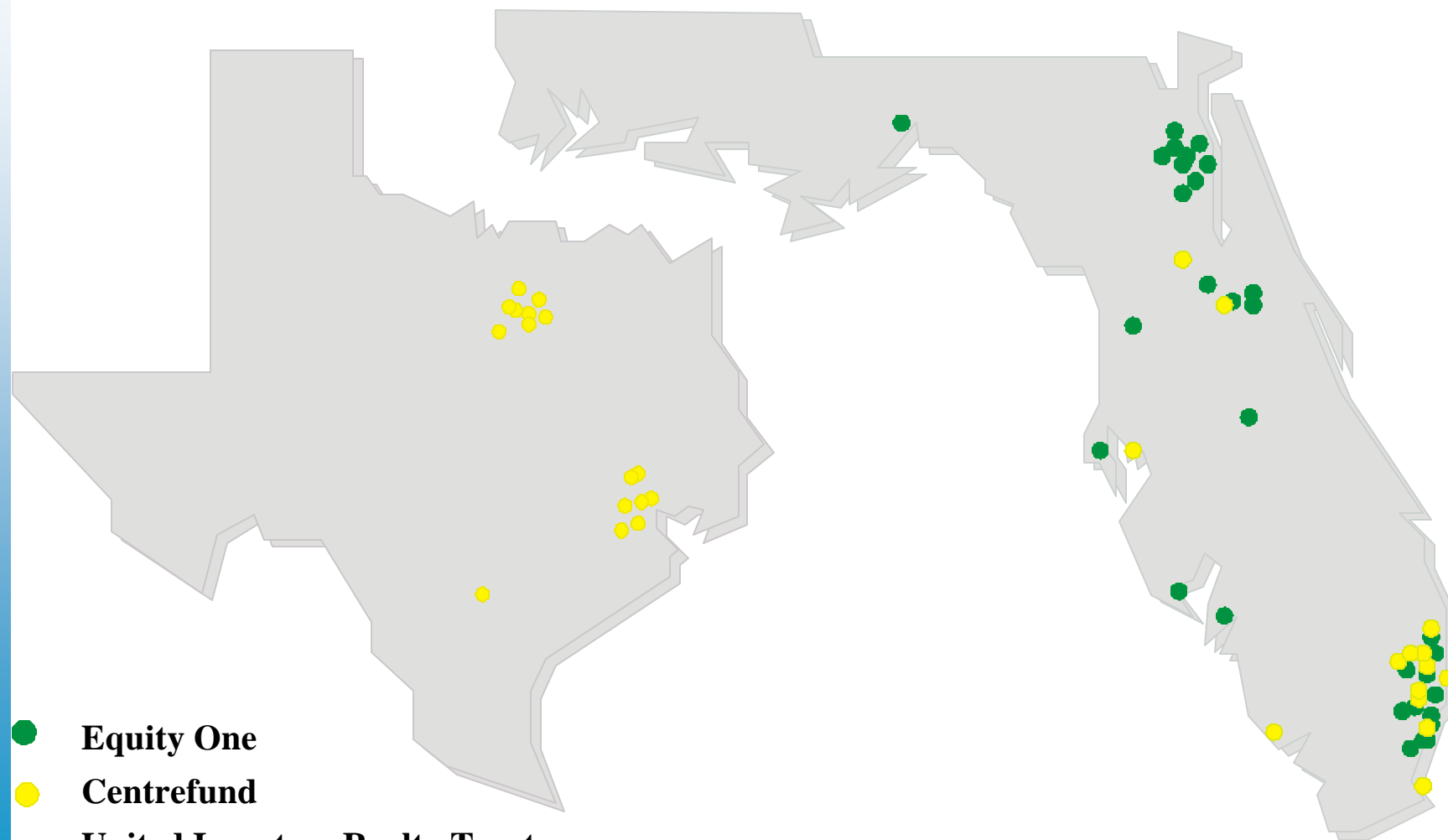
**Centrefund**



**United Investors Realty Trust**

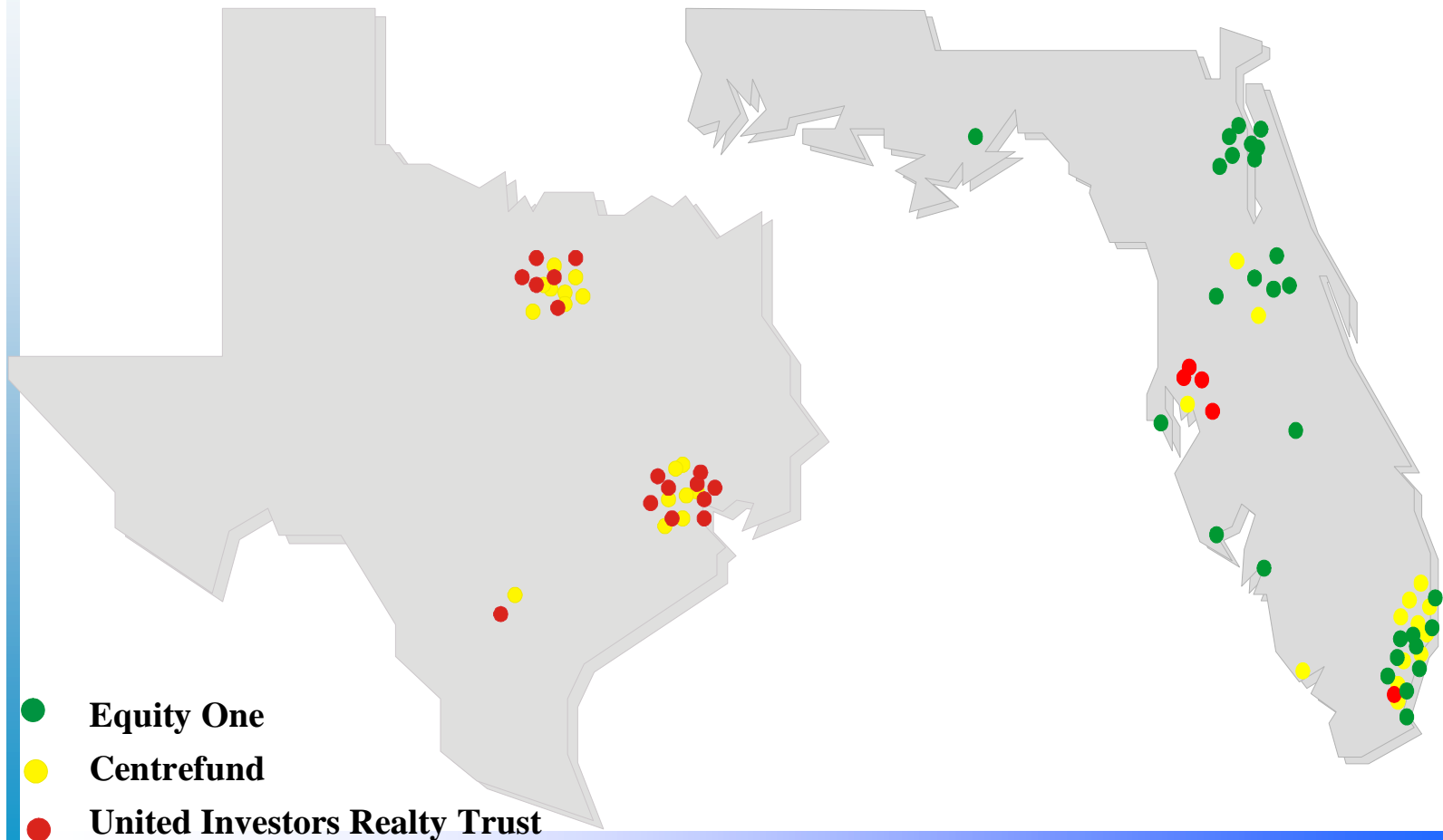


# EQY / CEFUS Properties



- Equity One
- Centrefund
- United Investors Realty Trust

# EQY / CEFUS / UIRT Properties



# Portfolio Characteristics

	<u>EQY</u>	<u>EQY/ CEFUS</u>	<u>EQY/CEFUS/ UIRT</u>
<b>Number of Properties</b>	<b>33</b>	<b>61</b>	<b>85</b>
Florida	33	45	49
Texas	0	16	32
Other	0	0	4
<b>Square Footage (000s)</b>	<b>3,282</b>	<b>6,494</b>	<b>8,625</b>
Florida	3,282	4,530	5,158
Texas	0	1,964	3,023
Other	0	0	444
<b>Occupancy</b>	<b>95%</b>	<b>90%</b>	<b>88%</b>
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<b>% Supermarket-anchored</b>	<b>90.2%</b>	<b>69.6%</b>	<b>65.2%</b>
<b>Top 10 Tenants % of AMR</b>	<b>33.0%</b>	<b>24.2%</b>	<b>20.1%</b>



*Note: Count and square footage excludes 9 CEFUS and 1 UIRT joint venture interest*

# M&A Operating Strategies

## **Increase supermarket-anchored %**



-  Re-tenanting initiatives and/or asset sales

## **Sell non-core assets**


-  CEFUS: 1 mixed-use office/retail asset
-  UIRT: 3 Arizona and 1 Tennessee assets

## **Rationalize JV interests via asset swaps**

## **Significant vacancy lease-up opportunity**

-  EQY/CEFUS/UIRT: 1,000,000 square feet
-  EQY alone: 150,000 square feet

## **Geographic concentration = efficient operations**

-  South Florida
-  Jacksonville
-  Orlando
-  Houston
-  Dallas

# Year-end 2001

## Balance Sheet Projections

<i>(in MM except per share and ratios)</i>	<u>EQY</u>	<u>EQY/ CEFUS</u>	<u>EQY/CEFUS/ UIRT</u>
<b>Total Assets (book)</b>	<b>\$256</b>	<b>\$531</b>	<b>\$684</b>
<b>Total Debt</b>	<b>\$132</b>	<b>\$293</b>	<b>\$415</b>
Fixed Rate	100%	86%	76%
Floating Rate	0%	14%	24%
<b>Equity Market Cap (@ \$11.90)</b>	<b>\$173</b>	<b>\$298</b>	<b>\$332</b>
Number of Shares (diluted)	14.574	25.074	27.878
<b>Leverage Ratios</b>			
<b>Total Assets (book)</b>	<b>51%</b>	<b>55%</b>	<b>60%</b>
<b>Total Market Cap</b>	<b>43%</b>	<b>50%</b>	<b>56%</b>
<b>Enterprise Value (9.5% cap)</b>	<b>40%</b>	<b>47%</b>	<b>53%</b>
<b>(plus development assets)</b>			

*Note: Assuming \$20MM in EQY acquisitions in Q3 2001*

# 4<sup>th</sup> Quarter 2001 Annualized Income Statement Projections

<i>(in MM except per share and ratios)</i>	<u>EQY</u>	<u>EQY/ CEFUS</u>	<u>EQY/CEFUS/ UIRT</u>
<b>Total Revenues</b>	<b>\$39</b>	<b>\$75</b>	<b>\$96</b>
<b>NOI</b>	<b>\$30</b>	<b>\$57</b>	<b>\$72</b>
<b>EBITDA</b>	<b>\$28</b>	<b>\$54</b>	<b>\$68</b>
<b>Interest</b>	<b>\$9</b>	<b>\$21</b>	<b>\$29</b>
<b>FFO</b>	<b>\$19</b>	<b>\$33</b>	<b>\$39</b>
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<b>2001E FFO per share</b>	<b>\$1.33-1.34</b>	<b>\$1.34-1.35</b>	<b>\$1.35-1.36</b>
<b>2002E FFO per share</b>	<b>\$1.38-1.39</b>	<b>\$1.42-1.43</b>	<b>\$1.47-1.48</b>
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<b>G&amp;A : Revenues</b>	<b>7.1%</b>	<b>3.7%</b>	<b>3.3%</b>
<b>EBITDA : Interest Ratio (4Q '01E)</b>	<b>3.1</b>	<b>2.6</b>	<b>2.3</b>

*Note: Assuming \$20MM in EQY acquisitions in Q3 2001*

# Financial Guidelines and Objectives



## **Maintain moderate leverage**

1) Debt : greater (Value, Market Cap)  $\leq 60\%$

2) EBITDA : Interest Coverage Ratio  $\geq 2.6$



Asset sales



Future equity offerings



## **Reduce Floating Rate Exposure**



Asset sales



Fixed rate financings



Interest rate hedging



## **Increase Public Float and Equity Market Cap**



Future equity offerings



M&A transactions



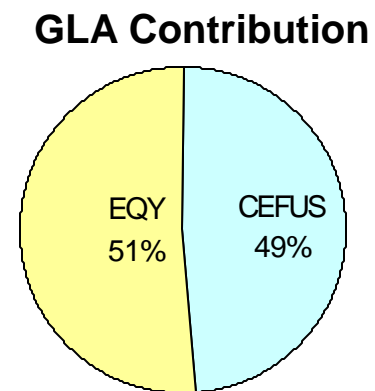
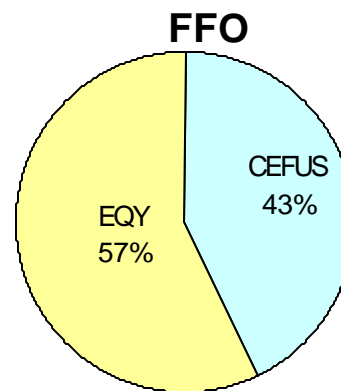
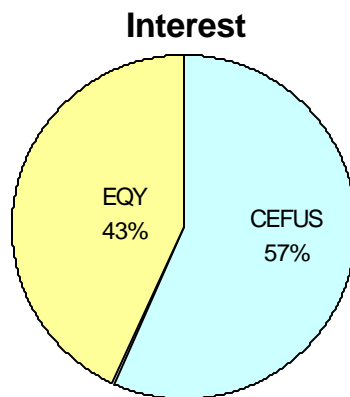
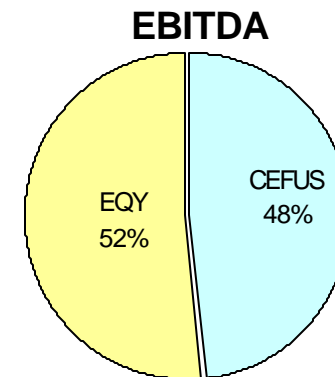
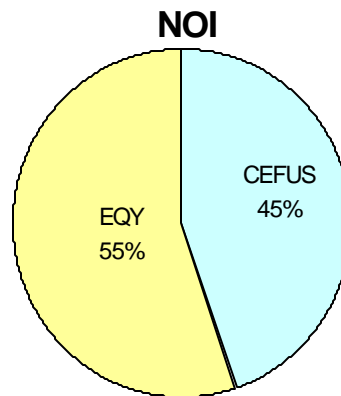
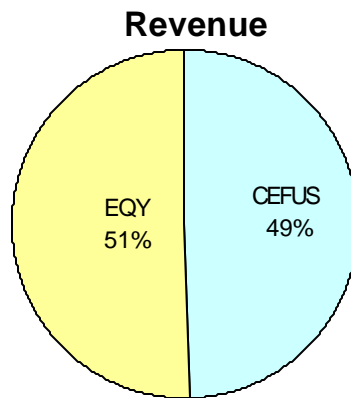
Additional research coverage



## **Target FFO Payout Ratio = 75%**

# CEFUS 2002E Contribution Analysis

(10.5MM shares = 42% Equity Stake)

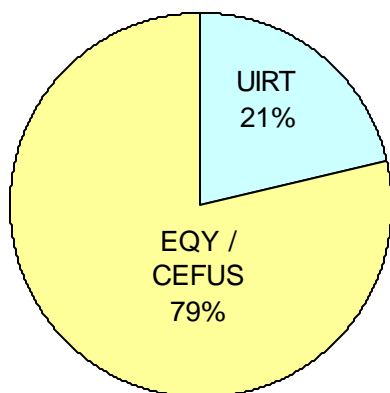




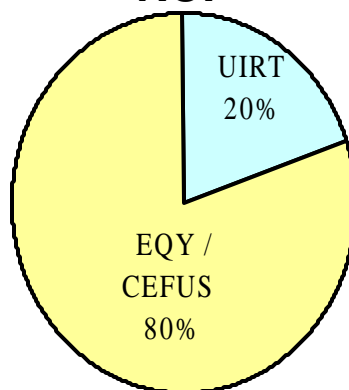
# UIRT 2002E Contribution Analysis

(2.8MM shares = 10% Equity Stake)

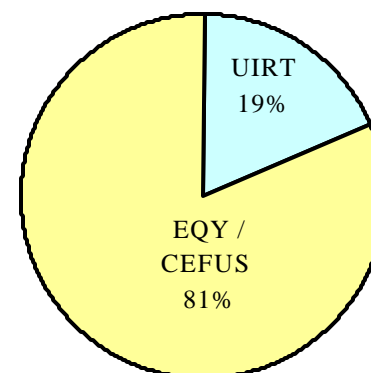
**Revenue**



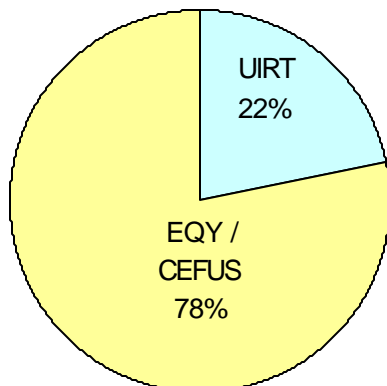
**NOI**



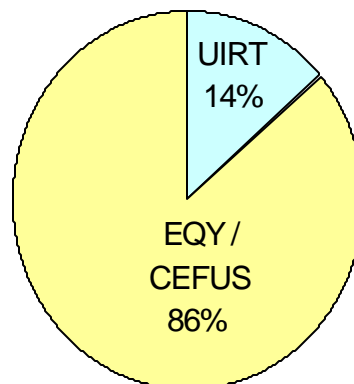
**EBITDA**



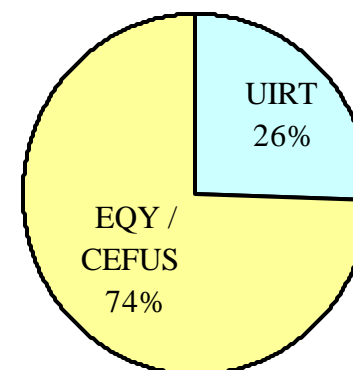
**Interest**



**FFO**



**GLA Contribution**



# Increased Tenant Diversification

(in 000s based on 3/31/01 annual minimum rent payments)

## EQY/CEFUS/UIRT

Tenant	#	SF	AMR	%
<b>Publix</b>	<b>15</b>	<b>608</b>	<b>\$3,805</b>	<b>5.3%</b>
<b>Winn Dixie</b>	<b>11</b>	<b>504</b>	<b>3,192</b>	<b>4.4%</b>
<b>Randalls</b>	<b>4</b>	<b>199</b>	<b>1,432</b>	<b>2.0%</b>
K Mart	3	258	1,269	1.8%
<b>Kash N Karry</b>	<b>3</b>	<b>141</b>	<b>1,236</b>	<b>1.7%</b>
Walgreens	9	160	1,126	1.6%
Eckerd	10	102	820	1.1%

# Public REITs in Florida and Texas

<u>Florida Shopping Center REITs</u>	<u>Number of Properties</u>	<u>GLA</u>
1. Kimco Realty	55	6,909,008
2. Regency Centers	53	6,535,088
<b>3. Equity One/CEFUS/UIRT</b>	<b>49</b>	<b>5,158,000</b>
4. IRT	24	2,785,000
5. Developers Diversified	20	2,705,501

<u>Texas Shopping Center REITs</u>	<u>Number of Properties</u>	<u>GLA</u>
1. Weingarten Realty	54	6,108,000
2. Kimco Realty	35	5,254,598
3. Regency Centers	34	4,165,857
<b>4. Equity One/CEFUS/UIRT</b>	<b>32</b>	<b>3,023,000</b>
5. Developers Diversified	3	604,642

# Equity One Highlights

